

SCHOOL BUSINESS E-ALERT

August 2007

CAR Due Date Extension

The deadline for filing the Certified Annual Report (CAR) has been extended for this year to Friday, September 28, 2007, for all districts and AEAs. The COA file must be uploaded and processed through Stages 1 through 4 without error and all on-line forms must be completed before you can certify your report. Be sure to complete the certification on or before the due date.

Beginning Balances

Several districts have asked about where to find Beginning Fund Balances. All beginning balances can be found on Line 1 of the Treasurer Report by Fund (under View Reports).

FY 2007 Payment Listing on EDINFO

Please refer to the 2006-07 CAR Training Powerpoint found on the DE website School Finance/Certified Annual Financial Reports/User Information for instructions on accessing the FY 2007 Payments listing on EDINFO. The listing (which includes all August payments for FY 2007) will be updated and final no later than Monday, September 8th.

Please verify the amounts recorded as June 30 receivables match this list; certain payments made during the month of August were prorated and may be less than you anticipated and/or booked.

Succeeding Year's Property Tax Entries

Pursuant to GASB statement 33, all districts should book succeeding year's property taxes as follows:

Debit Fund XX, Account 123 (account id 1)
Credit Fund XX, Account 482 (account id 4)

Long-term Liabilities Reconciliation and Refunding Bonds

An edit has been added to verify that long-term liabilities reconcile (PY Ending Balance + Issued – Redeemed = CY ending Balance). If you have questions about this edit or your June 30, 2006, ending balance was not correct, please e-mail corrections to Janice.Evans@iowa.gov.

If the district issued refunding bonds and debt was defeased, please send the amount of debt defeased to Janice.Evans@iowa.gov. Since debt defeased is not recorded as an

expenditure, long-term liabilities will be reconciled outside the upload process for districts that issued refunding bonds.

Reconciliation of State Categorical Funding Balances

An edit has been added to verify that State Categorical funding balances reconcile (PY ending fund balance + current year revenues – current year expenditures = CY ending fund balance). The edit checks balances individually by funding source/project. If you did not book PY ending fund balances by project codes (or if you booked an incorrect amount) please send a detail list, by project, via e-mail to Deb Schroeder at deb.schroeder@iowa.gov. Please include the Fund, Project, and dollar amount for each reserved fund balance account.

Updates to Appendix H – Now Includes List of Newly Assigned Codes

You can now find a complete list of all dimension codes recently added to Appendix H on page 2 of the document. To always have the most current copy of Appendix H readily available don't forget to bookmark in your web browser. Appendix H can be found on the DE website under School Finance/Accounting Principles & Uniform Procedures.

Accounting for Federal, State, and Local Funds – Appendix X now on the DE Website

Recently published **Appendix X** contains various rules and examples on how to account for federal, state, and local categorical funds. As mentioned during the ICN trainings in June, all LEAs and AEAs must use state-assigned Project codes with all accounts receivable and deferred revenue (federal), and reserved fund balance (state) accounts.

Project codes used to account for Local Categorical Funding (Finance Formula):

- Project 1112 – Limited English Proficient
- Project 1116 – Weighted At-Risk
- Project 1118 – Talented and Gifted (TAG)
- Project 1119 – Dropout Prevention Allowable Growth

Please read and study each section of this Appendix thoroughly. The section on Accounting for Local Grants/Allocations/Restricted Funds will also explain how to calculate the amount of local funding (revenues) that supports each project area.

The edit for the reconciliation of federal revenues/expenditures in the CAR – 2007 Upload and Reports application have been updated to reflect Appendix X guidance. For FY07, the edit will check, by Project code, to make sure your current year expenditures do not exceed the total of your current year revenues plus the ending balance in your deferred revenue account.

New Source/Project Codes Added - IDEA Part B Subgrants

To assist you in accounting for the various subgrants paid for with the IDEA Part B funds, a new group of Source and Project codes have been added to Appendix H. LEAs and AEAs may use Source/Project 451X (4511-4519) to account for any of the various subgrants that have been awarded through Part B funding. Continue to account for the primary receipt of Part B using Project code 4521.

Accounting for Revenues Received from an Intermediate Agency

The account dimensions used to account for federal grant or state categorical revenues received through an intermediate (other government) agency differ slightly from the dimensions used to account for those same revenues received directly from our agency or from the USDE. When recording revenue received through an intermediate agency, the Source dimension used in your revenue account (account id 8) is dependent on the the intermediate agency's original source of funding. Examples you are most likely to encounter include:

- The intermediate agency's original source of funding is State categorical funding (Project 3XXX). Use Source 37XX, with Project assigned to the agency's original source of funding (3XXX).
- The intermediate agency's original source of funding is federal grant funding (Project 4XXX). Use Source 47XX, with Project assigned to the agency's original source of funding (4XXX).

Coding Information Related to Special Education Revenues and Expenditures

- If you are using the mileage rate for your special ed supplement and would like to book the amount to your general ledger, you

may do so as an Intrafund Transfer using Function 27XX, Object 95X.

- Revenues received for the FY 2006 High Cost Claim is recognized as revenue in the current fiscal year. Record using both Source and Project codes 4521.

ITEMS TO NOTE FOR FY 2008

2007-08 – Coding dimensions for stipends paid to Teachers serving on the Educator Quality Committee

Function 2213, Project, 3376, Object 12X

2007-08 Phase II Per Pupil amount

LEA's - \$80.73

AEA's - \$3.77

Phase II follows students tuitioned-out to another school district, except for students under Open Enrollment.

Certified Enrollment Reminder

Student counts are to be taken on October 1. The form is due on or before October 15. ICN training is planned for late September, but the date has not yet been set.

Whole Grade Sharing Supplementary Weighting

Each school district that adopts a board resolution to study dissolution or adopts a board resolution jointly with all other affected boards to study reorganization must file a written copy of the board resolution with Su McCurdy at the Department of Education no later than October 1 in the year in which the district intends to request whole grade sharing supplementary weighting on its certified enrollment.

If your district is in a whole grade sharing arrangement for 2007-2008, and you plan to participate in the whole grade sharing supplementary weighting incentive this year, be sure to have your board adopt the resolution at its September board meeting and mail or email to Su McCurdy (su.mccurdy@iowa.gov) on or before October 1.